

**EIGHT LABOR CHIEFS
INDICTED IN CHICAGO
REIGN OF TERRORISM**

**\$6,000,000 Pledged to End
Crimes as Judges Say That
State of War Exists.**

HINTS OF VIGILANTES

**One Jurist Says Anarchists
Plot Treason and City
Fights for Its Life.**

THUGS HAD PRICE SCALE

**Plain Slugging Cost \$50 and
'Front Page Job' Cost
Up to \$250.**

Special Dispatch to THE NEW YORK HERALD.
CHICAGO, May 11.—Indictments
against "Big Tim" Murphy, head of
the Gas Workers' Union; "Con" Shea,
Navy convict and head of the Theater
District Union; and Fred Mader,
president of the Chicago Building
Trades Council, and five other labor
leaders were voted by the Grand Jury
to-night.

The true bills charge the defendants
with the murder of Acting Police
Lieutenant Terrence Lyons, killed in
Tuesday night's terrorism campaign.
The five others named are Isadore
Bergerman, Jerry Horan, Dan Mc-
Carthy, Robert McCloud and Tom
Hogan.

"This is the first of a series of legal
murders that will rock the crooked
city unions from their foundations,"
declared Police Chief Fitzmorris.
"We'll land every labor crook behind
confinement bars before we are
through."

Haymarket Law Invoked.

The first indictments, it is reported,
were based on the old statute charg-
ing "inciting to riot," the charge un-
der which Haymarket anarchists were
convicted and under which Sam Cardil-
li, leader of the notorious Cardil-
li gang of murderers, was found
guilty last more recently.

Chief Fitzmorris, following the re-
turn of the indictments, said there was
a conspiracy engineered by "Big Tim"
Murphy to make himself head of the
Chicago Building Trades Council and
be dominant figure in Chicago's labor
world.

Murphy is also said to have been
plotting the removal from the
labor world of "Mike" Boyle, business
agent of the Electrical Workers Union,
one of the staunchest supporters of the
landis wage award and the one
tumbling block to Murphy's ascendancy
in the Building Trades Union.

Landis Award Ignored.

The award, by former Judge K. M.
Landis, acting as arbitrator, fixed the
wages in the building trades. Some of
the unions refused to abide by it, and
here followed a series of bombing out-
rages that culminated Tuesday night in
the killing of two policemen and the
bombing of three plants involved in the
landis award.

This afternoon, after two judges had
declared from the bench that a state of
war and terrorism existed in Chicago, it
was learned that a fund of \$6,000,000
had been subscribed by the Chicago citi-
zens committee to aid in the prosecution
of the army of sluggers, bombers and
gunmen imported here to defeat the
landis award and the open shop plan
backed by the committee.

In questioning one of the sluggers
picked up in the raids on labor head-
quarters, which netted 20 prisoners, Police
Chief Fitzmorris to-day ran across
the following scale of prices for bomb-
ing buildings and violence:

One stick dynamite bomb, \$5;
two stick dynamite bomb, \$10; four stick
dynamite bomb, \$20; six stick dynamite
bomb, \$30.

Measured by Publicity.
Getting on front page of Chicago
newspapers with headline like this, "Two
bombs, Rock West side" story bring
\$250, while "more mention of story on
side page" would yield only \$50.

These values were measured by news-
man publicity because, as one of the
higher ups, said to one of the rank
and file of Chicago's contingent of bomb
throwers: "It's the publicity that we
want. There is an extraordinary situation
existing in the community," Judge Scan-
lan said. "I consider we are virtually
in a state of war. A group of men

**Half of Private Homes
in State Are Mortgaged**

Special-Dispatch to THE NEW YORK HERALD.
New York Herald Bureau,
Washington, D. C., May 11.—
The mortgage debt on owned
homes and farms in the State
of New York, according to
census returns of 1920 amounted to
\$1,154,976,181. The total value of
these properties amounted to \$2,310,
646,158,583; the mortgage debt thus
being 49.6 per cent of the total value. Rented
homes, tenant farms and farms
partly owned and partly rented are
not included in the tabulation. The
number of homes in New York
State other than farm homes was
2,240,931, of which 597,758, or 26.7
per cent, were owned by the oc-
cupants. Of these owned homes
329,438, or 55.1 per cent, were mort-
gaged.

**DAVISON WILL GIVE
ESTATE TO WIDOW**

**Unofficial Estimates Put Its
Value at \$15,000,000 Up
to \$20,000,000.**

\$4,500,000 TO ELDEST SON

**On Mrs. Davison's Death For-
tune Is to Be Dispersed
Among Children.**

Henry P. Davison's will was filed
yesterday in the Surrogate's Court at
Mineola, L. I. It consists of seven
typewritten pages and was signed in
a physician's office on April 27, ten
days before Mr. Davison's death at
his home in Glen Cove.

Specific cash bequests amount to
only \$40,000. Of this \$5,000 is left to
Mr. Davison's daughter-in-law, Mrs.
Frederick Trubee Davison; \$5,000 to
his son-in-law, Artemus L. Gates;
\$20,000 to his secretary, William C.
Heinkel, and \$10,000 to Mrs. Henry P.
Davison's secretary, Levina E. Oliphant.

The widow receives all of her hus-
band's personal effects, jewelry, auto-
mobiles and yachts and the contents
of the Davison home at 690 Park av-
enue. This ends the list of specific
legacies.

All the rest of the estate is left to the
Bankers' Trust Company in trust for the
benefit of Mrs. Davison, to whom the
income will be paid. Upon her death the
estate will be distributed. The oldest
son, Frederick Trubee Davison, a mem-
ber of the New York State Assembly,
will then receive \$4,500,000 and all the
shares of the Peacock Point Corpora-
tion, which has title to the Davison coun-
try home at Glen Cove.

The remainder of the trust fund will
be divided equally among the three other
children of Mr. Davison. They are
John, Frederick Trubee Davison, Jr., and
Artemus L. Gates. Mr. Morgan & Co.
are the executors of the will.

Estimates of Size of Estate.

No authorized estimate of the extent
of Mr. Davison's fortune has been made
or will be made until the State Comptroller
makes an appraisal for the pur-
pose of taxing the inheritance tax, and
this will take several months. The best
estimate seems to be that the sum is
between \$15,000,000 and \$20,000,000.
The bulk of the estate is in the form
of the Peacock Point Corporation, the
known fact that the share of one of the
four children is to be \$4,500,000.

George B. Case of White & Case,
lawyers, in New York City, who drew and
filed the will, said yesterday:

"There are no bequests to charity or
public works. For many years and until
very recently Mr. Davison has contrib-
uted quietly but generously to chari-
table institutions and for public pur-
poses, preferring to give what he felt
that he could afford during his life-
time."

"I have made no provision in this will
for my household servants and em-
ployees, inasmuch as I have expressed
to my wife and to my children my
wishes in regard to the matter of show-
ing my appreciation of their loyalty and
faithful service to us."

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**SEVEN NEW SUBWAY
ROUTES IN PLAN TO
COST \$218,000,000**

**Transit Board Would Gird
City, Adding 84.20 Miles
of Track.**

INCLUDES 5 BOROUGHES

**Moving Platform at Forty-
second St. and B. R. T.
Line to 155th St.**

EXTENSION TO FLUSHING

**Staten Island Tube Promised:
Central Brooklyn to Get
Crosstown Line.**

The Transit Commission made pub-
lic yesterday details of its program
for new subway construction, involv-
ing an outlay of approximately \$218,-
000,000 for construction and an ad-
ditional \$100,000,000 for equipment of
the new lines, including rolling stock,
power houses and signaling devices.

In the advancement of the city's
rapid transit facilities these plans
mark the most important step taken
since the signing of the dual con-
tracts in 1913. The additional lines
projected touch directly the transpor-
tation problem of every borough, and,
when completed, will girdle them all
with subway lines. They will add to
present resources 32.55 miles of new
subways, with 84.20 miles of trackage.

Since the signing of the dual con-
tracts nine years ago, although these
practically doubled the city's rapid
transit facilities, the traffic demand, due
to the city's growth, already has more
than doubled. Hence the commission,
in describing its extensive program,
emphasizes the vital importance of be-
ginning as soon as possible actual work
upon each of the new routes. To have
kept pace even approximately with the
demand, it is pointed out, a compre-
hensive new construction program
should have been begun five years ago.

Five Months of Preliminaries.

Approval of routes by the city ad-
ministration and its cooperation in
financing the vast project are neces-
sary. Public hearings must be held be-
fore the actual letting of contracts may
proceed. These preliminaries probably
will consume at least from five to six
months and it will require years after
approval before operation can be begun.

An accurate outline of the seven
major features of the construction pro-
gram was presented last Sunday by
the Transit Commission. As indicated
there, features of especial interest and
importance in Manhattan include a
moving sidewalk under the second
avenue line, to be extended ultimately from
river to river, and a west side trunk
line the entire length of the island,
chiefly beneath Eighth and Amsterdam
avenues.

The last named route, which is to be
built in sections, will be ultimately the
greatest underground line in the world.
It is to be an eight-lane, four-track
line, running upon two levels, with a capacity
virtually double that of either of the pre-
sent four track trunk lines.

Another important Manhattan feature
is the extension of the B. R. T.'s Broad-
way-Seventh avenue subway under Cen-
tral Park West and Seventh avenue to
155th street. The eventual removal of
the fifth avenue elevated structure, as
well as the surface car tracks in Cen-
tral Park West—a reform that has been
most eagerly advocated—will be accom-
plished by the new line.

Brooklyn is to get the facilities she
has clamored for, and a tunnel connec-
tion with Manhattan, which Queens
has long desired, will be accomplished
by having the long sought exten-
sion from Corona to Flushing placed in
a position of precedence in the pros-
pectus issued by the commission.

The Statement in Full.

The statement made by the Transit
Commission follows in full:
"Provision for the building of new
subways is one of the most important
of the duties with which the Transit
Commission is charged. The orders
issued, or to be issued by the commis-
sion for increasing service on the exist-
ing lines as rapidly as the financial
condition of the operating companies
permits will, for the time being, afford
a substantial degree of relief. But these
measures are palliatives only and do not
solve the problem. The growth of
the rapid transit traffic, which in-
creases daily, has been upon an enor-
mous scale. The new lines provided
under the dual contracts which more
than doubled the mileage of the origi-
nal subway and elevated system, have
been open but a few years and are
already crowded to capacity."

"Under the highly congested condi-
tions of 1913, the year in which the
dual contract construction was com-
menced, the Interborough subway alone
carried 25,471,539 passengers. During
the year ended June 30, 1921, the Inter-
borough and the B. R. T. together
carried 69,385,739. The elevated lines
of the Brooklyn Rapid Transit Com-
pany in 1913 carried 16,244,055 passen-
gers, while in 1921 they carried 24,444,
000. The total for the city of New
York for her own use, absolutely and
forever."

"I also give and bequeath to my
wife, Kate Trubee Davison, all of my per-
sonal effects and jewelry, wherever
located, and also the household furni-
ture and equipment, pictures, works of
art, silver, ornaments, bric-a-brac and
supplies which are located on the prem-
ises known as No. 690 Park avenue,
borough of Manhattan, city of New
York, for her own use, absolutely and
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ises known as No. 690 Park avenue,
borough of Manhattan, city of New
York, for her own use, absolutely and
forever."

**Half Inch Snow in Maine;
Heat Death in St. Paul**

HOULTON, Me., May 11.—Snow
to-day covered the ground
here to a depth of half an
inch.

DEADWOOD, S. D., May 11.—With
two feet of snow already fallen, fol-
lowing a terrific rain, hail, thunder
and lightning storm last night,
western South Dakota to-day was
experiencing one of the worst bliz-
zards of the year.

ST. PAUL, May 11.—One death
from heat yesterday was reported
here to-day. The temperature
reached 86 degrees. The victim, an
unidentified woman, died on a street
car.

OMAHA, May 11.—Three persons
were killed and widespread damage
to property was done as a result of
windstorms in Nebraska yesterday
and last night.

**JEWELER ARRESTED
IN CHASE BOND LOSS**

**Story of Second Theft From
Woman Prisoner Results in
Making Him Captive.**

CLEW TO \$31,000 PLUNDER

**Diamond Broker Declares He
Knew Mrs. Vardeman as a
Theatrical Woman.**

Henry Hirsch, a diamond broker
with offices in the Loew State Theater
Building at Broadway and Forty-fifth
street, was locked up last night in
Police Headquarters on a charge of
grand larceny in connection with the
theft of \$500,000 in Liberty bonds
from the Chase National Bank, for
which two other men and a woman
are already in custody.

Arthur F. Chase, soldier of fortune,
whose life has been full of adventure
on the plains and mountains of Texas
and Arizona, yesterday was held in
\$75,000 bail by Magistrate Corrigan in
the Tombs Court on a charge of the
actual theft of the Liberty bonds when
he was a guard in the Chase National
Bank.

James W. Vardeman, formerly a
guard in the bank and his wife are to
be extradited from Savannah, Ga.,
where they were arrested two days ago.
Public hearings must be held be-
fore the actual letting of contracts may
proceed. These preliminaries probably
will consume at least from five to six
months and it will require years after
approval before operation can be begun.

Chase is alleged to have told Detec-
tives Mayer and Brown that Mrs. Var-
deman, who is known by the stage
names of Fernie Hollis, La Blanche
and Du Barry, informed him that she
went to Hirsch's office a day after the
robbery with the \$31,000 worth of bonds.
She is quoted as having said she showed
them to the jeweler, who, according to
the story, declared he did not have the
cash on hand and told her to return
later in the day.

The alleged confession of Chase goes
on to say that Mrs. Vardeman returned
to the Loew Building the same day
and in the hallway was attacked by two
men and robbed of the \$31,000 in bonds.
She then ran into Hirsch's office and
accused him of being in league with
the robbers, crying: "My God, is there
no honor among thieves?"

According to the detectives, Hirsch,
who makes his home at Precept, L. I.,
denied that Mrs. Vardeman ever had
any Liberty bonds in her possession. He
said he had known the woman under the
names of Mrs. Hollis and Mrs. La
Blanche for more than fifteen years and
had legitimate dealings with her in the
buying and selling of jewelry.

Hirsch's version, as told by the police,
is that the woman visited his office on
April 15, two days before the robbery,
and asked him if he could dispose of
some Liberty bonds, saying: "There is a
gentleman backing me in a theatrical
enterprise and wants cash on the bonds.
He told her to return, and later she did
so, appearing to be greatly excited, and
saying she had lost the bonds Hirsch is
quoted as saying by the police.

Was in Reinforce Division.

With excellent references Chase ob-
tained employment with the bank six-
teen months ago and was paid \$20 a
week. In the Tombs he said he had been
a Texas ranger and for three years was
a member of the Territorial Mounted
Police of Arizona. Chase is 43 years
old and he volunteered for service in
the Philippines and on the border. When
the United States entered the world war
he joined the 151st Artillery of the
Forty-second (Rainbow) Division.

"I have not and am not going to men-
tion any lady's name in this case,"
Chase told reporters in the Tombs, where
he sat calmly smoking a cigarette.

Continued on Page Eight.

Continued on Page Six.

**BETHLEHEM MERGES
WITH LACKAWANNA
WITH STEEL DEAL**

**Wall Street Surprised by
Combine Involving \$363,-
682,892 Capital.**

EACH IS TO BENEFIT

**Schwab Concern Gets Rail
and Merchant Mills, Be-
sides Ore and Coal.**

HITS COMBINE OF SEVEN

**Six Remaining Companies Will
Complete Union Despite
Buffalo Withdrawal.**

Negotiations were completed yester-
day for a merger of the Bethlehem
Steel Corporation and the Lackawanna
Steel Company, involving a
total authorized stock capitalization
and bonded indebtedness of \$363,682,-
892. Announcement of this step, which
was made by Eugene G. Grace, presi-
dent of the Bethlehem Steel Corpora-
tion, surprised Wall Street, as well as
the big interests in the steel industry.
It has been known for a long time
that negotiations had been on between
these two concerns, but when the
seven company merger, including
Lackawanna among others, got under-
way, it was intimated that the Beth-
lehem-Lackawanna negotiations had
come to an end.

Wall Street saw in the announce-
ment the result of shrewd trading by
the management of the Lackawanna
company, which was being sought by
both the Bethlehem company and by
the interests behind the seven com-
pany merger. The price the Bethle-
hem company will pay for Lackawanna
has not been made public, but it is
obvious that the terms were more
favorable than Lackawanna could
hope to obtain in the bigger
consolidation proposed.

Statement by E. G. Grace.

The terms will be submitted to the
boards of the two corporations at sepa-
rate meetings on Tuesday, and after
their ratification will probably be made
public. The statement issued at Mr.
Grace's office was as follows:

E. G. Grace, president of the Bethle-
hem Steel Corporation; Moses Tay-
lor, chairman of the board of direc-
tors of the Lackawanna Steel Com-
pany, and the committee appointed by
it to deal with the matter, an-
nounce that they have reached an
agreement as to terms to recommend
to their respective boards of directors
and stockholders for the purchase by
Bethlehem of the Lackawanna prop-
erties. The transaction involves the
use of Bethlehem 7 per cent. pref-
erential stock and other securities in
payment for the properties. The
details are being prepared for prompt
presentation to the stockholders of
the respective companies.

"This coup by the Lackawanna inter-
ests for as much as it was regarded the sig-
nificance of the merger of the two
companies included in its output. Pri-
ncipal among these is ordinary com-
mercial bars. It also gives the Bethlehem
company structural material and plates
for distribution in New England, and as
well as valuable coal and ore properties."

When the consolidation is completed
the only products the organization will
lack to make a well rounded steel plant
will be pipe and wire. It is believed
that the company will construct its own
tube and pipe plant along some original
lines it has in contemplation. It has
been reported that the Bethlehem com-
pany is negotiating with the Wickwe-
Spencer Steel Corporation for that com-
pany's assets, including important wire
plants. Mr. Grace yesterday declined
to discuss this report.

Acquisition of the Lackawanna com-
pany by Bethlehem cannot be construed
as the absorption of a competitor, Mr.
Grace declared. While both concerns
make some of the same products, the
market of Bethlehem is in the South
and East, he said, while Lackawanna
feeds the North and New England. The
addition of the Lackawanna plants to
the Bethlehem chain, he added, was lo-
cal in view of the Bethlehem policy of
continuously building up its organiza-
tion in the East. There is no intention
of becoming a western producer or of
entering any group of western producers.
Mr. Grace added, thus disposing of the
report that this consolidation with the
Lackawanna was the first step toward
putting Bethlehem into the big merger
of several independent steel companies.

The Lackawanna Steel Company is
controlled by several big interests, in-
cluding among them Cornelius Vander-
bilt, the Piccard-Mather Company, the
Ogden Mills estate and Moses Taylor.
It will be necessary for the Bethlehem
company to issue new stock to exchange
for Lackawanna stock to complete the
deal and any financing as a result
of the deal.

Continued on Page Five.

**RUSSIA EVADES ALL ISSUES
BUT WAY OPEN FOR ACCORD;
NO LOANS---NO CONCESSIONS**

**SOVIETS ASK WORLD'S TRUST
WHILE REPUDIATING DEBTS**

GENOA, May 11.—The Russian note asks outright that the Allies
trust the Soviet good faith, though it repudiates the debts of
former governments in principle and characterizes the com-
pensation of private property holders as an act of grace done for
the price of credits during negotiations, rather than as a matter of
right.

It cites various French and American precedents for this atti-
tude, including the Alabama case, as making the Allies liable for
the cost of the Denckine, Kolchak, Yudetuch and other invasions of
Soviet Russia.

The note charges the Allies, in advancing private property
claims, with forwarding "capitalistic individualism" as a political
system, against collectivism.

It insists that no aid for the reconstruction of Russia through
credits to private traders can be effective without aid to the Russian
Government itself, and suggests a committee of experts to examine
the financial problems of Russia's situation.

It chides the Allies for demanding the return of Rumanian gold
without considering Bessarabia, and demanding peace in Asia Minor
after refusing Russia's request that Turkey be invited to the con-
ference.

It defends the rights of revolutionaries, quoting the French con-
vention of September 22, 1792: "The sovereignty of a people is
not bound by the treaties of a tyrant." And says that the French
not only repudiated the treaties but the public debt of the old regime.
It cites many international precedents, including American, for the
seizure of enemy property, and for the non-responsibility of govern-
ments for damages to property during the civil war, and claims
reciprocity on all such obligations under the Cannes resolution. It
excepts war debts, for which it says Russia is not responsible because
she disassociated herself from the war.

**100 HOUSES TO DROP
OUT OF EXCHANGE**

**Cannot Meet New Require-
ments, President Crom-
well Asserts.**

**WILL HAVE TO MERGE
TO FOLLOW U. S. POLICY**

**New York Official Voices Op-
position to Laws for In-
corporation.**

PHILADELPHIA, May 11.—When the
New York Stock Exchange completes
its present examination of financial
reports submitted by member houses
there will be a hundred less members
of the exchange, according to Sey-
mour L. Cromwell, president of the ex-
change, who spoke to-night at a
dinner in his honor by the Philadel-
phia Stock Exchange in the Bellevue-
Stratford.

Other speakers were Melbourne F.
Middleton, Jr., president of the Phila-
delphia Stock Exchange; Eugene
Meyer, Jr., president of the War Fi-
nance Corporation, and Erastus T.
Tefft, a governor of the New York
Stock Exchange.

Mr. Cromwell made his assertion when
he presented to Mr. Middleton a copy
of the questions submitted to member
houses with a request that they reply.
The figures are checked by the ex-
change.

"These figures will disclose their
financial standing," Mr. Cromwell said,
"and although they will not be put in
operation for several weeks several
houses have notified us they cannot go
along under the new arrangements."

He pointed out that it would not
mean a loss of business to these brokers;
that in a majority of cases there would
be consolidations. Mr. Cromwell ex-
pressed opposition to the pro-
posed legislation to compel the in-
corporation of the New York Stock Ex-
change on the ground it "would not stop
the bad things and would be really an
interference with legitimate business."

He also said there is a crying need
for the interpretation of the Stock Ex-
change to the public.

After declaring the bucket shops are
afraid of the Stock Exchange, Mr. Sey-
mour cited what might be the result if
the exchange was placed in the control
of politicians. He declared that after
the wires had been removed from the
offices of Hughes & Dier about a year
ago pressure began to be exerted on the
authorities of the exchange from many
high quarters, and that "politicians of
all ranks and of various parties seemed
to rush suddenly to the defense of these
men."

Mr. Middleton said members of the
Philadelphia Stock Exchange stand
ready at all times to work hand in hand
with the New York exchange authori-
ties to protect the investors of the
country.

Some day the New York Stock Ex-
change will see the books of various
questionable houses that have failed to
comply with the new regulations. The ex-
change then will be able to proceed
against any members having dealings
with them, Mr. Tefft said.

"In order to proceed," he continued,
"we must have proof." The exchange,
he declared, stands only to see the pub-
lic gets a square deal. "It will supply
quotations to any one who runs his
business honestly," he said, "but others
will attempt to put out of business
and keep them out."

**BRITISH PLAN TRADE
MOVE IN DOMINIONS**

**Will Hold Aloof From Europe
if Restoration Plans Fail
at Genoa Parley.**

**Head of Commerce Board As-
sails High Tariff and Acts
of Shipping Countries.**

Special Cable to THE NEW YORK HERALD.
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New York Herald Bureau,
London, May 11.

If the restoration of European trade
becomes impracticable, owing to
tangles in the Genoa conference, Great
Britain will meet the situation by
adopting an aloofness toward Europe
and turning her attention to the Do-
minions. Such was the interpretation
heard in the lobbies of the House of
Commons to-day following a speech
by the Right Hon. Stanley Baldwin,
president of the Board of Trade.

Many Government officials believe
that if Mr. Lloyd George fails to line
up Europe, the country's only course
will be something along the lines of
the American policy—to keep free as
much as possible.

Mr. Baldwin said: "The